

ORDINANCE NO. 3763

AN ORDINANCE OF THE CITY OF EDMONDS, WASHINGTON, APPROVING TRANSFER OF CONTROL OF THE FRANCHISEE (VERIZON NORTHWEST INC.) FROM VERIZON COMMUNICATIONS INC. TO FRONTIER COMMUNICATIONS CORPORATION WITH CONDITIONS AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Edmonds has granted a cable television franchise ("Franchise") to Verizon Northwest Inc. ("Franchisee") which is an indirect wholly owned subsidiary of Verizon Communications Inc. ("Verizon"); and

WHEREAS, Verizon has entered into an agreement with Frontier Communications Corporation ("Frontier") to effectuate a transfer of control of Franchisee from Verizon to Frontier ("Transfer"); and

WHEREAS, upon completion of the Transfer, Franchisee will become an indirect wholly owned subsidiary of Frontier and, as a result, control of the Franchisee will be transferred from Verizon to Frontier; and

WHEREAS, following the Transfer, Franchisee will continue to hold and be responsible for the performance of the Franchise; and

WHEREAS, Franchisee has requested that the City consent to the Transfer and, in accordance with the requirements of the Franchise and federal law, Verizon has filed an FCC Form 394 together with Exhibits and related materials (all hereinafter collectively the "Application") with the City; and

WHEREAS, to evaluate Franchisee's request, the City has participated in a Consortium of jurisdictions including Snohomish County, the cities of Bothell, Edmonds,

Everett, Kenmore, Marysville, Mountlake Terrace, Mukilteo, Woodinville and the Town of Woodway (the "Consortium"); and

WHEREAS, the City and the Consortium examined the legal, financial and technical qualifications of Frontier in order to consider and act upon the Transfer request and considered the comments of interested parties; and

WHEREAS, the City has relied upon the Application and supplemental written information provided by Frontier and Verizon; and

WHEREAS, on November 17, 2009, the City Council held a public meeting to review the Transfer request; and

WHEREAS, the City is willing to consent to the Transfer, subject to the closing of the Transfer between Verizon and Frontier and the appropriate approvals by the Washington State Utilities and Transportation Commission and federal regulatory entities; and

WHEREAS, Franchisee has agreed to continue to unconditionally accept the terms of the existing Franchise and to comply with any other agreements existing between the Franchisee and the City;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EDMONDS, WASHINGTON DO ORDAIN AS FOLLOWS:

Section 1. The City hereby consents to the Transfer in accordance with the terms of applicable law, subject to and contingent upon the following conditions:

a. In all respects and without exception, Franchisee agrees to continue to abide by all terms of the existing Franchise and acknowledges that the transfer of control will not affect, diminish, impair or supersede the binding nature of the Franchise and any other valid ordinances, resolutions, and agreements applicable to the operation of the cable

system in the City and Franchisee shall continue to meet its obligations under the Franchise. Franchisee agrees that subject to the Franchise, that Franchisee shall comply with all lawful and applicable provisions related to cable service of Edmonds Municipal Code Chapter 4.69 as amended, and all related applicable federal and state laws, and lawful orders, contracts, agreements, commitments, side letters, Franchise amendments and regulatory actions.

b. The City's consent to the transfer of control shall not be construed to constitute a waiver or release of any rights the City may have now or in the future under federal, state or local law, the Franchise, or any separate written agreements with the Franchisee. Franchisee shall remain responsible for any and all Franchise requirements (including but not limited to payment of Franchise fees and other amounts due under the Franchise, and indemnification of the City as provided in the Franchise) and non-compliance issues under the Franchise or any obligation that may now exist or may later be discovered to have existed during the term of the Franchise, even if prior to the closing of this Transfer.

c. The Transfer between Frontier and Verizon shall be substantially and materially consistent with the Application and the supplemental information provided by Frontier and Verizon through the request for information process undertaken by the City and the Consortium.

Section 2. In the event that the Transfer which is the subject of this ordinance does not close for any reason; or in the event approval is not granted by the Washington State Utilities and Transportation Commission and appropriate federal regulatory entities, or in the event that the Transfer closes on terms substantially or materially different from the terms described in the Application and supplemental written information provided by Frontier and Verizon that is relied upon by the City; or Franchisee does not accept each and every condition

of the transfer of control required of it as set forth in this ordinance; then the consent provided for herein shall be null and void, and the City shall be deemed to have disapproved the transfer of control under the Franchise and federal law, and all remedies under the Franchise and applicable laws shall be available to the City. In the event the Transfer does not close before January 2012, Verizon and Frontier will provide notice of that event to the City and an update on the reasons for such a delay in closing or notice of the termination of the Transfer.

Section 3. By consenting to the transfer of control, the City does not waive or release any rights of the City in and to the streets as provided by state law and the Edmonds Municipal Code, nor does the City waive or release any claim or issue of non-compliance it may have, known or unknown, now or in the future, against the Franchisee or any successor in interest to the Franchisee.

Section 4. The City shall not amend, revoke or otherwise alter this Ordinance without providing reasonable prior notice to the Franchisee.

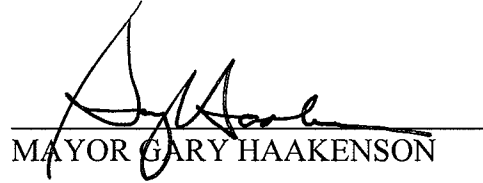
Section 5. If any section, sentence, clause or phrase of this ordinance shall be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 6. This ordinance shall take effect and be fully in force five (5) days after publication of the attached approved summary thereof consisting of the title.

PASSED by the Council of the City of Edmonds this 17th day of November,
2009.

APPROVED by the Mayor of the City of Edmonds this 18th day of November,
2009.

CITY OF EDMONDS


MAYOR GARY HAAKENSEN

ATTEST/AUTHENTICATED


CITY CLERK SANDRA S. CHASE

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:



FILED WITH THE CITY CLERK: 11/13/2009
PUBLISHED: 11/22/2009
EFFECTIVE DATE: 11/27/2009
ORDINANCE NO. 3763

SUMMARY OF ORDINANCE NO. 3763

of the City of Edmonds, Washington

On the 17th day of November, 2009, the City Council of the City of Edmonds, Washington, approved Ordinance No. 3763, the main points of which are summarized by its title as follows:

AN ORDINANCE OF THE CITY OF EDMONDS, WASHINGTON, APPROVING TRANSFER OF CONTROL OF THE FRANCHISEE (VERIZON NORTHWEST INC.) FROM VERIZON COMMUNICATIONS INC. TO FRONTIER COMMUNICATIONS CORPORATION WITH CONDITIONS AND ESTABLISHING AN EFFECTIVE DATE.

The full text of this ordinance will be mailed upon request.

APPROVED by the City Council at their meeting of November 17, 2009.


CITY CLERK SANDRA S. CHASE

Affidavit of Publication

STATE OF WASHINGTON,
COUNTY OF SNOHOMISH



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The full text of this ordinance will be mailed upon request.
APPROVED by the City Council at their meeting of November 17, 2009.

CITY CLERK SANDRA S. CHASE

Published: November 22, 2009.

S.S.

The undersigned, being first duly sworn on oath deposes and says that she is Principal Clerk of THE HERALD, a daily newspaper printed and published in the City of Everett, County of Snohomish, and State of Washington; that said newspaper is a newspaper of general circulation in said County and State; that said newspaper has been approved as a legal newspaper by order of the Superior Court of Snohomish County and that the notice

Summary of Ordinance No. 3763

Transfer of Control

a printed copy of which is hereunto attached, was published in said newspaper proper and not in supplement form, in the regular and entire edition of said paper on the following days and times, namely:

November 22, 2009

and that said newspaper was regularly distributed to its subscribers during all of said period.

A handwritten signature in cursive script, appearing to read "Judy Snohl".

Principal Clerk

Subscribed and sworn to before me this

23rd

day of November, 2009

A handwritten signature in cursive script, appearing to read "Mark Ray".

Notary Public in and for the State of Washington, residing at Everett, Snohomish County.



RECEIVED

DEC 03 2009

EDMONDS CITY CLERK

Account Name: City of Edmonds

Account Number: 101416

File Number: 0001675805